STATE OF HAWAII

REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

To:

Chief Procurement Officer

From:

Department of Health/Adult Mental Health 16vis 100724

Department/Division/Agency

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a propurement exemption to purchase the following: STATE PROGUREMENT OFFICE

Title and description of health and human service(s):

Intermediate Care/Mental Illness. AMHD seeks to place patients at the Hawaii State Hospital in specialized Extended Adult Residential Care Home (E-ARCH) facilities. There are forty-one licensed (41) E-ARCH facilities on Oahu that are capable of serving adults with mental illness at an intermediate care level. AMHD seeks permission to contract with as many of these facilities as necessary to place thirteen patients who no longer require a hospital level of care and are therefore hospitalized inappropriately at HSH as well as other patients who may be determined appropriate for placement in the coming months.

| Provider Name: Licensed E-Arch Facilities | Total Contract Funds: \$654,500.00 | Term of Contract: |
|--|--|-------------------------------------|
| See Attached List | | From: 2/1/06 To: 1/31/07 |
| Provider Address: N/A | Contract Funds per Year (as applicable). | 10/31/06 NS |

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the

Overcrowding at Hawaii State Hospital has become a critical problem due to an upsurge in admissions in the past six months and a shortage of specialized placement resources for patients who no longer require hospitalization. HSH is presently operating at its licensed capacity of 194 beds. HSH staff have identified a group of patients who have no legal encumbrances and have been clinically determined to require care in E-ARCH facilities rather than hospitalization. AMHD seeks to contract with as many of these facilities as are willing to accept patients currently in need of placement and such others as may be determined eligible for placement in coming months. AMHD requests an exemption for 12 months during which time it will complete an RFI, RFP for this service, and competitive contracting with any facilities that are interested in providing the service.

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Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:

AMHD will invite all licensed E-ARCH facilities capable of serving adults with mental illness to submit a statement of interest in contracting to serve AMHD Consumers. When an individual Consumer is ready for discharge from HSH, the Hospital's clinical staff will determine which facility, of those interested in contracting, will be used for placing an individual Consumer. Facility selection will be based on: 1) best geographical location in terms of proximity to patients family and ancillary service, 2) match between patient needs and the other residents of the facility, 3) bed availability, and 4) on-site assessment of the facility's appropriateness in the judgment of the patient and the facility.

A description of the state agency's internal controls and approval requirements for the exempted procurement: AMHD will contract with any interested E-ARCH facility during the period of the exemption. Placement of individual patients will be determined by clinical staff at HSH in accordance with specific criteria. AMHD Utilization management unit will authorize all placements.

The AMHD Contracts Unit, in collaboration with appropriate Service Directors, will organize an RFI and RFP to competitively select providers within 12 months of approval of this exemption. Proposals will be reviewed by a committee made up of AMHD service and administrative staff in accordance with 103F HRS.

| A list of state agency personnel, by position ti the contract: | tle, who will be involv | ed in the approval process and administration of |
|--|-------------------------|--|
| Thomas W. Hester, M.D., AMHD Chi Amy Yamaguchi, AMHD Public Heal William Elliott, Acting Administrator | th Administrative | , |
| Direct questions to (name & position): | Phone number: | e-mail address: |

| Ray Gagner, AMHD Contracts | 586-4688 | rlgagner@amhd.health.state | hi.us | |
|---|------------------------|--|-------|--|
| Coordinator | | | | |
| This exemption should be considered for list of | exemptions attached to | Chapter 3-141, HAR: Yes | No 🗵 | |
| I certify that the information provided above is to the best of my knowledge, true and correct. | | | | |
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| Department Mead Signature | Date | the control of the co | | |
| *sour** | | | | |
| Typed Name | Position Title | | | |

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| Chief Procurement Officer's Comments: |
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| Please ensure adherence to applicable administrative requirements. |
| Approved Denied Officer 2/1/06 |
| cc: Administrator |

State Procurement Office